Sunderland City Council

THE CABINET

AGENDA

Meeting to be held in the Civic Centre (Committee Room No. 1) on Wednesday 4 December 2013 at 2.00pm

Part I

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1.		**Minutes of the Meeting of the Cabinet held on 27 November 2013 Part I** (Copy to be printed separately).	1
2.		**Receipt of Declarations of Interest (if any)**	
3.		**Apologies for Absence**	
4.		**Review of Members' Allowances Scheme by the Independent Remuneration Panel** Joint report of Chief Executive and the Executive Director of Commercial and Corporate Services (copy herewith).	1
5.	🔑	**Local Pinch Point Fund and Regional Growth Fund Round 4** Joint report of the Deputy Chief Executive and the Executive Director of Commercial and Corporate Services (copy herewith).	15
6.		**A New Agreement with the Traffic Penalty Tribunal Joint Committee** Joint report of Deputy Chief Executive and the Head of Law and Governance (copy herewith).	25
7.	🔑	**Provision of Social Care to Adults with a Learning Disability – Variation to Contract** Report of the Executive Director of People Services (copy herewith).	31

Contact: **Hazel Mackel, Governance Services Team Leader Tel: 561 1042**
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Information contained in this agenda can be made available in other languages and formats on request.

Local Government (Access to Information) (Variation) Order 2006

The reports contained in Part II of the Agenda are not for publication as the Cabinet is considered likely to exclude the public during consideration thereof as they contain information relating to the financial or business affairs of any particular person (including the Authority holding that information) (Local Government Act 1972, Schedule 12A, Part 1, Paragraph 3). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

Part II

8. **Minutes of the Meeting of the Cabinet held on 27 November 2013 Part II**

(Copy to be printed separately).

9. 🔑 * **Disposal of Broadway House, Springwell Road, Sunderland** 37

Report of the Deputy Chief Executive (copy herewith).

🔑 **Denotes Key Decision.**

* **Denotes Regulation 10 Notice issues – item which is a key decision which is not included in the 28 Day Notice of Key Decisions.**

ELAINE WAUGH
Head of Law and Governance

Civic Centre
SUNDERLAND
26 November 2013

Sunderland City Council

Item No. 4

CABINET MEETING – 4 DECEMBER 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:
REVIEW OF MEMBERS' ALLOWANCES SCHEME BY THE INDEPENDENT REMUNERATION PANEL

Author:
Report of the Chief Executive and Executive Director of Commercial and Corporate Services

Purpose of Report:
To consider the outcome of the Independent Remuneration Panel's Review of Members' Allowances and make appropriate recommendations to Council.

Description of Decision:
Cabinet is requested to consider the report of the Independent Remuneration Panel and make appropriate recommendations to Council.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:
Following the review of the Members' Allowances Scheme that took place during 2012, in the light of the revised executive and committee arrangements that had been introduced by the Council, it was considered appropriate that the Allowances Scheme be reviewed approximately one year later, by which time the new arrangements would be further embedded.

Alternative options to be considered and recommended to be rejected:
The recommendations have been arrived at following careful consideration by the Panel. It is not therefore recommended that the Council adopt any alternative arrangements.

Impacts analysed:

Equality	N/A	**Privacy**	N/A	**Sustainability**	N/A	**Crime and Disorder**	N/A

Is this a "Key Decision" as defined in the Constitution? No **Is it included in the 28 day notice of decisions? No**	Scrutiny Committee

REVIEW OF MEMBERS' ALLOWANCES SCHEME BY THE INDEPENDENT REMUNERATION PANEL

Report of the Chief Executive and Executive Director of Commercial and Corporate Services

1. **Purpose of the Report**

1.1 To consider the outcome of the Independent Remuneration Panel's Review of Members' Allowances and make appropriate recommendations to Council.

2. **Description of Decision (Recommendations)**

2.1 Cabinet is requested to consider the report of the Independent Remuneration Panel and make appropriate recommendations to Council.

3. **Introduction/Background**

3.1 The report of the Independent Remuneration Panel has been received and is attached as Appendix 1.

3.2 The Panel has responsibility for making recommendations on Basic and Special Responsibility Allowances, pensions eligibility, travel and subsistence and co-optees allowances. The functions of the Panel are described in Annex 1 of its report. Local Authorities must have regard to the advice of the Panel when deciding on their Members' Allowances Scheme and the amounts to be paid thereunder.

3.3 During the course of the review, the Panel received information regarding the operation of the revised executive and committee arrangements and the roles and responsibilities thereunder and also considered representations that had been made by members in respect of a number of other aspects of the Scheme. Following careful consideration of these matters, the Panel has recommended that the Basic Allowance remains unchanged and that two changes be made in respect of Special Responsibility Allowances (SRAs) namely that an allowance of £4,184 be attached to the member role on the Fostering Panel and that the Deputy Mayor's allowance be increased to £5735. If accepted by the Council, the allowances will therefore be as follows:

OFFICE HOLDERS	**£**
Leader	37,667
Deputy Leader	25,111
Cabinet Secretary	25,111
Leader Majority Party in Opposition	12,556
Leader Minority Party in Opposition	6,277
Deputy Leader Majority Party in Opposition	8,369
Deputy Leader Minority Party in Opposition	4,184
Cabinet Member	20,716
Policy Member	12,556
Chairman of Scrutiny Committee	12,556
Chairman of Area Committees	10,350

Chair of Regulatory Committee	8,369
Chair of Licensing Committee	8,369
Vice Chairman of Area Committees	6,277
Chair of Planning and Highways Committee	6,277
Chairmen of Development Control Sub Committees	6,277
Vice Chairman of Scrutiny	6,277
Scrutiny Lead Member	5,179
Membership of Adoption Panel (to be paid to up to 2 Members)	4,184
Fostering Panel	4,184
Mayoral Allowance	17,205
Deputy Mayoral Allowance	5,735

3.4 A summary of the proposed Members' Allowances Scheme is also set out at Annex 2 to the Panel's report.

4. Suggested Reasons for Decision

4.1 Following the review of the Members' Allowances Scheme that took place during 2012, in the light of the revised executive and committee arrangements that had been introduced by the Council, it was considered appropriate that the Allowances Scheme be reviewed approximately one year later, by which time the new arrangements would be further embedded.

5. Alternative Options

5.1 The recommendations have been arrived at following careful consideration by the Panel. It is not therefore recommended that the Council adopt any alternative arrangements.

6. Financial Implications

6.1 The proposals result in an additional cost of £6,092 which can be contained within existing budget provision.

7. Other Implications

7.1 There are no equality, privacy, sustainability or crime and disorder issues associated with these proposals.

8. Publicity

8.1 The Regulations place duties on Councils in connection with publicising the recommendations made by their Independent Remuneration Panel. Accordingly, arrangements have been made for the Panel's report to be available for inspection.

Background Papers
Report of the Independent Remuneration Panel.

Appendix 1

CITY OF SUNDERLAND MEMBERS' ALLOWANCES SCHEME

REPORT OF THE INDEPENDENT REMUNERATION PANEL: REVIEW OF MEMBERS' ALLOWANCES SCHEME

1.0 Introduction

1.1 The Independent Remuneration Panel operates in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003. The terms of reference for the Panel are attached at Annex 1.

1.2 The Regulations are supported by detailed guidance issued by the former Office of the Deputy Prime Minister and Inland Revenue (the Guidance) to which the Panel has had regard in formulating its proposals.

2.0 Background

2.1 In September 2012, the Remuneration Panel considered a number of proposed changes to the Council's Members' Allowances Scheme which were designed to align the Scheme with changes to the Council's Executive and Committee arrangements. The Panel accepted that, in view of the scale and extent of the proposed changes, it was likely that there would be a degree of learning and development for all concerned. It therefore suggested that it would be beneficial to review experience of the initial period of their operation after, approximately, one year and this has been undertaken as part of the current review. In addition, the Panel has considered a number of representations made by members as part of both the previous and current review, which are also addressed in this report.

3.0 The Review Process

3.1 The Panel considered information provided by Officers which included;

i. written representations received from Members

ii. documentation provided by the Council which included

- the background to the review of the Council's Executive and Committee arrangements which was carried out in 2012
- the current position with regard to implementation of planned improvements
- areas identified for further refinement and improvement in the light of experience of operating new arrangements
- information regarding allowances paid by other authorities in the region

iii. supplementary information provided by the Council in response to comments and queries made by the Panel during the course of its deliberations.

3.2 The Panel also met with representatives of each political group on the Council.

3.3 The Panel records its gratitude for the assistance provided by Members and Officers.

4.0 Sunderland Way of Working to Community Leadership Council

4.1 The Panel noted that, since it had last met, the Council had launched the next phase of its transformation to meet the challenges and opportunities of, principally, rising demand and expectations and falling budgets.

4.2 Over this time the Council had moved forwards from the Sunderland Way of Working to focusing upon its core role as Community Leader and how it could deliver this role most effectively. This was the direction of travel envisaged when the Council carried through its fundamental review of Executive and Committee arrangements. Implementation of these new arrangements had provided a framework within and around which its continued development as a Community Leadership Council was being planned and delivered.

4.3 The Panel confirmed its understanding of the revised Executive and Committee arrangements, however its focus was on the roles and responsibilities of the individual positions within that structure.

5.0 Review of Operation of the Revised Executive and Committee Arrangements

5.1 The Panel reviewed each main element of the Council's Executive and Committee arrangements – some of which had also been the subject of representations from individual Members – as follows:

i. **Cabinet:** The reduction of Cabinet from ten to eight members had been operating since May 2012. The Panel was advised that the new arrangements were operating effectively. Rationalised Portfolios had eased Cabinet's alignment with recent, parallel Officer restructuring around the Council's PEOPLE, PLACE and ECONOMY strategic themes.

In addition, the Panel was advised that, together with enhanced capacity provided by Policy Members, Cabinet restructuring had enabled Cabinet to support a strong and growing local, sub-regional and regional agenda and to support the Leader's role as a member of the European Committee of Regions. New Cabinet arrangements had also supported the Council's continued chairmanship of the Association of North East Councils, the Council's engagement with the Local Enterprise Partnership and significant new ventures such as development of plans for the Combined Authority, Chairmanship of the

national Key Cities network and the Council playing a leading role in the new Co-operative Councils Innovation Network.

ii. **Policy Members:** The Panel gave careful consideration to these positions in the light of representations received that questioned the duties and responsibilities of these roles. The Panel considered the role of policy members in supporting the work of Cabinet on the Council's strategic objectives and in their championing of important issues.

The Panel was advised that, notwithstanding the above, there remained a general need to build on the foundations that had been laid for these roles and in the light of the representations received, the Panel recommended that efforts were made to strengthen wider understanding amongst Members of the role and contribution of Policy Members.

iii. **Area Committees, Place and People Boards:** The Panel received information regarding the operation of the area governance arrangements and the role of the Place and People Boards in underpinning the Council's approach to the decentralisation to the Area level of decision-making on a range of important, high profile services.

The Panel was advised that monthly Area People and Place Boards reporting to Area Committees had promoted more locally responsive environmental improvements through the Responsive Local Services initiative. The work programme for Area Committees and Boards in 2013/2014 included further major drives on welfare reform, public protection and core strategy and supporting efficiency savings within Adult Social Care through co-production and capacity building with community groups.

The Panel received a representation from an individual Member in relation to the comparability of the Special Responsibility Allowance attached to the roles of Area Committee Vice Chairman and Scrutiny Lead Member. However the Panel remained of the view that in the light of the responsibility placed upon Area Committee Vice Chairmen to support the Council's major drive for service decentralisation, the current levels of remuneration were appropriate.

iv. **Streamlined Scrutiny Arrangements** - The Panel was reminded that the new scrutiny commissioning model replaced seven former Scrutiny Committees with one Scrutiny Committee supported by six Scrutiny Lead Members, each with a specific remit and supporting Panel. The Panel was advised that this streamlined approach had been supported by members, officers, partners and communities.

The new Scrutiny Committee had brought together all core scrutiny activities through its new co-ordinating role and in doing so had demonstrated its capacity to undertake statutory responsibilities more efficiently and be more focused, flexible and responsive in the delivery of its work programme.

v. **Other Main Committees:** The Council's Licencing and Regulatory Committees had operated on a frequent, regular and effective basis with no significant issues identified.

The Panel had received a representation from an individual Member requesting an increase to the Allowances currently attached to the posts of Chairmen of Development Control and Planning and Highways Committees. The Panel was advised that there had been no significant change in the role and responsibilities of these positions, nor was the Council yet in a position to confirm how it planned to discharge its responsibilities in these areas in the future. The Panel did not therefore consider it appropriate to recommend any change to the levels of remuneration for these roles.

vi. **Adoptions and Permanency Panels:** The Panel was advised that the two Panels concerned had continued to hold frequent meetings and transact significant business since new arrangements were introduced.

The Panel noted that the main issue highlighted during the year related to an anomaly concerning the Council's Fostering Panel. The Panel was informed that this Panel was as important to achieving the Council's objectives for vulnerable children as its Adoptions and Permanency arrangements and had an equally challenging combination of workload, responsibilities and reputation pressures. However, the Member lead role on the Fostering Panel did not currently have a Special Responsibility Allowance attached to it. The Council had received representations from Members on this matter. The Panel recommended that an SRA equivalent to those attached to the Adoptions and Permanency Panel (c. 20% of that of a service Portfolio Cabinet Member - £4,184) be attached to this role.

vii. **Personnel Committee:** The Panel was informed that the Council's Personnel Committee had been disestablished in May 2012 and had been replaced by the Human Resources Committee which had met on an ad hoc basis with no Special Responsibility Allowance attached.

6.0 Other Member Representations

6.1 When the Panel undertook its review of the Scheme in 2012, there were a number of written representations by Members which were deferred to be considered as part of the next review. Those matters, together with additional representations made as part of the current review, are addressed in this report.

6.2 One of the matters raised was the impact on Councillors who claim unemployment or sickness benefit and who only receive the Basic Allowance. The representation pointed out that for those in employment or in receipt of pension, the receipt of Basic Allowance amounted to additional income, whereas for those in receipt of benefits, the Allowance was deducted from their benefits so that in effect, they received little or no additional income to assist with meeting the cost of Ward and civic duties.

The Panel was sympathetic to the situation of such Members. However it concluded that this was not a matter that could be addressed within the Allowances Scheme. The statutory guidance on Local Authority allowances did not permit different rates of basic allowance to be paid to different Members. The individual financial position of all Members would vary to an extent and the impact of the receipt of allowances would be different for each Member. This was not, however, a matter to which the Panel could have regard. The Basic Allowance must be the same for each Member and therefore it was not possible to vary the amount paid to any individual Member in order to take account of the impact on that Member's financial situation.

6.3 The Panel also gave consideration to submissions regarding the cost of transport from some areas of the city to the Civic Centre and the potential difficulties for those Members who did not have their own private transport and may need to use public transport, in some cases relatively late in the evening. Again, while the Panel was sympathetic to the situation of such Members, it considered that the approach taken in the existing scheme was appropriate. Where possible, car sharing by Members should be encouraged. In addition, it was noted that the scheme did permit the use of taxis in cases of urgency or where public transport was not available or appropriate or where a Member felt that their personal safety may be compromised. The Panel considered that this gave Members an appropriate level of flexibility when determining how they should travel when undertaking civic duties and also the Panel questioned whether all Members were aware of the expenses which they were entitled to claim in respect of travel and subsistence and suggested that the Council may wish to consider issuing a guidance note to Members to remind them of those matters.

6.4 The Panel was also consulted regarding the Council's practice of providing refreshments for Members following full Council meetings. The Panel considered that this was a matter for the Council to determine and that what was considered an appropriate level of provision may well change over time. The Panel noted that if refreshments were not provided, a Member would be entitled in most cases to claim a subsistence allowance of £10.59. The Panel suggested that the Council should be mindful of those figures when determining the level of provision maintained. It was noted that the extent of refreshments provided had been reduced and was lower than the cost that would be incurred if Members claimed their subsistence allowance.

6.5 A representation had been made to the effect that Cabinet was too big. The Panel considered that the size of the Cabinet was a matter for the Leader. The Panel's role was to consider the roles and responsibilities of whatever governance arrangements the Council, or Leader, as appropriate, had determined.

6.6 One representation supported a review of all Special Responsibility Allowances and no increase to the Basic Allowance. Another expressed the view that Special Responsibility Allowances should be reduced and focus on roles such as Cabinet, Scrutiny Chair and Chair of Planning and Highways Committee and the Basic Allowance should be increased. The Panel was mindful that the Guidance, whilst reflecting that the legislation did not limit the number of Special Responsibility Allowances that may be paid, also stated

that if the majority of members of a council receive a Special Responsibility Allowance, the local electorate may rightly question whether this was justified. This aspect of the Guidance was also considered as part of the previous review, at which time the Panel had noted that census information available at that time indicated that Councils across the country averaged 58% of Councillors holding SRAs and that north eastern metropolitan authorities averaged 67%.

Having given careful consideration, as part of both the previous and current review, to the roles and responsibilities of the various positions within the Council's executive and committee structure, the Panel is of the view that the recommendations contained in this report are appropriate.

6.7 The Panel also considered representations regarding the mayoral allowances and had regard to the time commitment and responsibilities associated with these positions, together with the incurring of expenditure in undertaking the roles. The Panel also noted that there was evidence that some other authorities in the region awarded their Deputy Mayor approximately one third of the allowance awarded to the Mayor. While the Panel did not consider it appropriate to recommend any change in the allowance paid to the Mayor, in the light of the responsibilities associated with the Deputy Mayor role, the Panel recommends an increase of £1908 to the existing allowance of £3827, to take it to £5735.

6.8 Whilst the Panel noted that representations had been received to the effect that the total budget for Members' allowances should not increase, it considered the amendments proposed in this report to be appropriate in order to reflect the responsibilities of the posts concerned

6.9 The Panel received the Council's assurance that it intended to continue to refine and improve the revised Executive and Committee arrangements and that there was on-going dialogue on the practical operation of the arrangements.

6.10 The Panel was advised that at the current time, the Council did not foresee the need for further significant changes in its overall Executive and Committee arrangements. However as indicated earlier in this report, the Panel recommends two changes to the current Members' Allowance Scheme – the proposal to attach a Special Responsibility Allowance equivalent to that of the Adoptions and Permanency Panels to the lead Member role on the Council's Fostering Panel and the increase of the Deputy Mayoral Allowance.

6.11 The Panel has previously recommended the annual review of the allowances scheme and it considers that further review would be appropriate during the course of the financial year 2014 / 2015, at which time the roles and responsibilities under the revised arrangements will be further embedded, together with the development of the community leadership / ambassadorial role of the mayoralty. As part of the next review, the Panel would like to meet with a representative sample of holders of the various posts under the revised arrangements.

7.0 Recommendations

7.1 Having reviewed experience of the first full year of operation of the Council's revised Executive and Committee arrangements and having received and considered Member representations, the Remuneration Panel recommends that

i. the current Allowances Scheme be amended to include a Special Responsibility Allowance for the lead Member role on the Council's Fostering Panel equivalent to those attached to the Member leads on the Adoption and Permanency Panels (equivalent to 20% of the Allowance attached to a Cabinet Portfolio Holder - £4,184) and the Deputy Mayor's Allowance be increased from £3827 to £5735, to take effect, if approved by the Council, from the date of such approval.

ii. other than in respect of the amendments referred to above, the Scheme of Allowances, including the associated terms and conditions, remain unchanged.

iii. the Scheme, as amended, also be applied in the financial year commencing 1 April 2014.

iv in line with the approach previously supported by the Council, the Scheme be reviewed on an annual basis.

8. Summary of Proposed Allowances Scheme

A summary of the proposed level of allowances is set out in Annex 2.

John Anderson CBE – Chair

Karen Straughair

John Cuthbert

November 2013

The Work of the Panel **Annex 1**

The regulations provide for independent remuneration panels to have the following functions:

- To make recommendations to the authority as to the amount of basic allowance that should be payable to its elected members.

- To make recommendations to the authority about the responsibilities or duties which should lead to the payment of a special responsibility allowance and as to the amount of such an allowance.

- To make recommendations to the authority about the duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance.

- To make recommendations as to the amount of co-optees' allowances.

- To make recommendations as to whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined.

- To make recommendations on whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended.

- To make recommendations as to whether annual adjustments of allowance levels may be referred to an index, and, if so, for how long such a measure should run.

- To make recommendations as to which members of an authority are to be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972.

- As to treating basic allowance and special responsibility allowance as amounts in respect of which such pensions are payable.

Annex 2

Members' Allowances Scheme

	£ Amount per annum £
Basic Allowance	8,369
Special Responsibility Allowances:-	
Leader of the Council	37,667
Deputy Leader of the Council	25,111
Cabinet Secretary	25,111
Leader of Majority Party in Opposition	12,556
Leader of the Minority Party in Opposition	6,277
Deputy Leader of Majority Party in Opposition	8,369
Deputy Leader of the Minority Party in Opposition	4,184
Cabinet Member with Service Portfolio	20,716
Policy Member	12,556
Chairmen of the following:-	
Scrutiny Committee	12,556
Area Committees	10,350
Regulatory Committee	8,369
Licensing Committee	8,369
Planning and Highways Committees	6,277
Development Control Sub-Committees	6,277

Where the same person chairs the Licensing and Regulatory Committees, only one allowance will be payable but increased by a factor of 50%

Vice Chairmen of the following:-	
Scrutiny Committee	6,277
Area Committee	6,277
Other Special Responsibility Allowances:	
Scrutiny Lead Member	5,179
Membership of Adoption and Permanency Placement Panel (To be paid to up to 2 members)	4,184
Membership of Fostering Panel	4,184
Co-optees Allowances	
Port Board	15,000
Audit and Governance Committee:	
Chairman	6,277
Independent member	3,139
Mayoral Allowance	17,205
Deputy Mayoral Allowance	5,735

Motor Cycle Allowance	24p per mile
Bicycle Allowance	20p per mile
Car Allowance	45p per mile for first 10,000 mile and 25p thereafter

Passenger Supplement 5p per mile for the passenger (not exceeding 4).

In the case of absence from the usual place of residence for a continuous period which exceeds 4 hours but does not involve an overnight absence, subsistence is payable as per the table set out below:

Breakfast Allowance	£6.22
Lunch Allowance	£8.55
Tea Allowance	£3.37
Evening Meal Allowance	£10.59

The subsistence rates shall be reduced as shown below in respect of meals provided free of charge by any authority or body during the period to which the allowance relates as follows:

Reduction of Subsistence Allowance for Meals Provided Free of Charge:

Reduction for Breakfast provided	£6.22
Lunch provided	£8.55
Tea provided	£3.37
Dinner provided	£10.59

Expenses Allowances Claimable Against Income Tax –

Use of Home as Office	£135 per annum

This is the national Her Majesty's Revenues and Customs publicised rate. Allowance to be updated as and when Her Majesty's Revenues and Customs publishes a revised allowance.

Grant payable for Use of Rooms or Halls for Ward Surgeries	£15 maximum per occasion
Telephone Calls Allowance	£15 per quarter

Broadband – actual costs to be reimbursed up to a maximum of £15 per month with a contribution from each Member of £3 per month where private use is made for the facility.

CABINET MEETING – 4 DECEMBER 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:
Regional Growth Fund Round 4and Local Pinch Point Fund

Author(s):
Joint report of the Deputy Chief Executive and the Executive Director of Commercial and Corporate Services

Purpose of Report:
To seek Cabinet approval to progress a programme of infrastructure improvements that has secured (subject to final approval) external funding from the Government's Regional Growth Fund (RGF Round 4) and the Department for Transport's Local Pinch Point Fund (LPPF).

Description of Decision:
Cabinet is recommended to:

1. Acknowledge the terms of the RGF Final Grant Offer and the requirement to enter into a funding agreement on this basis;

2. Approve the Council entering into the following project agreements on the basis as set out in this report:
   - With the Highways Agency in relation to the works the Highways Agency are to carry out on the A19 / A1231 junction; and
   - With South Tyneside Metropolitan Borough Council in relation to the works to be carried out on the A19 / A1290 junction.

3. Authorise the Deputy Chief Executive and the Executive Director of Commercial and Corporate Services in consultation with the Cabinet Secretary to take all necessary steps to procure and deliver the planned investments subject, where appropriate, to the approval of the relevant grant awards.

Is the decision consistent with the Budget/Policy Framework? *Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:
The decision will enable the Council to secure significant investment in transport infrastructure and business development facilities, part funded by the Department for Transport (DfT), Department for Business, Innovation and Skills (BIS), andDepartment for Communities and Local Government (DCLG). The programme will enable significant investment in the City and help to deliver economic growth in accordance with the Economic Masterplan.

Delivery of this investment will support future economic development in Sunderland by improving access to strategic development sites that have the potential to attract significant private sector investment and create new jobs. Such improvements would otherwise need to be funded from the limited annual allocations for transport improvements in the Local Transport Plan.

Alternative options to be considered and recommended to be rejected: The individual schemes that make up this programme have been developed over a period of time in order to contribute to and help deliver the Council's wider strategic and economic objectives. Alternative options for each scheme have been considered and rejected as part of the specification and design processes. The recent approval of RGF and LPPF, and the possibility of securing ERDF grant, has presented a unique opportunity for the Council and its partners to take forward an ambitious programme of investments within a limited timeframe.There is an option not to accept the grant offers however as resources for some projects are not currently identified in the capital programme this would mean that these important projects would not proceed in the foreseeable future. Alternative options for progressing the Port business support facilities have been considered and would require the proposals to be either scaled down or delayed pending the identification of other sources of external funding.	
Impacts analysed; **Equality** N/A **Privacy** N/A **Sustainability** N/A **Crime and Disorder** N/A	
Is this a "Key Decision" as defined in the Constitution? Yes **Is it included in the 28 day Notice of Decisions? Yes**	**Scrutiny Committee:**

CABINET – 4December 2013

REGIONAL GROWTH FUND ROUND 4AND LOCAL PINCH POINT FUND

JOINT REPORT OF THE DEPUTY CHIEF EXECUTIVE AND THE EXECUTIVE DIRECTOR OF COMMERCIAL AND CORPORATE SERVICES

1. Purpose of the Report

1.1 To seek Cabinet approval to progress a programme of infrastructure improvements that has secured (subject to final approval) external funding from the Government's Regional Growth Fund (RGF Round 4) and the Department for Transport's Local Pinch Point Fund (LPPF).

1.2 The report also sets out the indicative project costs and funding, and the procurement implications and contracting arrangements that are required to deliver the programme within the required timescale and budget.

2. Description of Decision (Recommendations)

Cabinet is recommended to:

1. Acknowledge the terms of the RGF Final Grant Offer and the requirement to enter into a funding agreement on this basis;

2. Approve the Council entering into the following project agreements on the basis as set out in this report:
   - With the Highways Agency in relation to the works the Highways Agency are to carry out on the A19 / A1231 junction; and
   - With South Tyneside Metropolitan Borough Council in relation to the works to be carried out on the A19 / A1290 junction.

3. Authorise the Deputy Chief Executive and the Executive Director of Commercial and Corporate Services in consultation with the Cabinet Secretary to take all necessary steps to procure and deliver the planned investments subject, where appropriate, to the approval of the relevant grant awards.

3. Introduction

3.1 In March 2013 the Council applied for a grant of £15.8m from Round 4 of the Government's Regional Growth Fund to fund a programme of investmentsthat support economic growth in the City and the aims of the Economic Masterplan.

3.2 The original bid included:

- A package of transport infrastructure improvements on junctions serving the Enterprise Zone and the Nissan complex;
- Further development of a section of the Sunderland Strategic Transport Corridor (SSTC) to improve connections between the manufacturing sites to the west of the city and the city centre;
- The development of business support facilities in the Port area with the aim of capitalising on opportunities offered by key growth sectors such as oil, gas, sub-sea, and renewables.

3.3 Following a successful bidding strategy, funding has been provisionally secured from Government to deliver the economic development improvements outlined above. However, it has become apparent in recent weeks that the second project,SSTC Phase 3a, cannot be delivered within the funding timeframe. The following alternative options to utilise the funding have been submitted to BIS for approval:

- Allocating an additional £1.25m RGF to the Port activities. An application for European Regional Development Fund (ERDF) grant has also been submitted. However, we have been advised by DCLG that the 2007-2013 programme is now over-subscribed and that it is unlikely that recycled funding will become available to support the project.RGF therefore replaces the funding gap created by the lack of ERDF resource available regionally.
- Allocating a further £0.765m towards the Enterprise Zone project to fundpreparatory work required to progress the further expansion of manufacturing in the area, building on progress with the Enterprise Zones. This will include a contribution towards further transport modelling works.

3.4 The latest funding contributions are as follows:

- Regional Growth Fund 4 (£12m)
- Local Pinch Point Fund (£1.169m)
- Council funding of £0.501m from its Local Transport Plan Integrated Transport Block allocation for 2014/15.
- Council funding of c. £0.95m from the allocation for Port business support facilities within the approved capital programme and a notional land value contribution of c.£0.2m.

It should be noted that these are provisional figures and that the grant award from RGF is subject to final approval from Government.

3.5 In addition, there is a requirement for project agreements to be drawn up with the Highways Agency and South Tyneside Metropolitan Borough Council in order to deliver specific schemes outlined later in this report.

4. Regional Growth Fund Round 4

4.1 Following the Government announcement on 11 July 2013 that the Sunderland RGF bid had been successful, the Secretary of State for BIS wrote to the Council on 13 September 2013 to indicate that, subject to a series of conditions, a grant of up to £12m would be awarded.

4.2 These conditions include:

- A valuation of the transport benefits associated with the project, and confirmation from Government that the total benefits of each element of the project are acceptable;
- Confirmation that the project does not constitute State aid, including but not limited to information on the procurement process;
- A satisfactory Operational Review by Government of the planned investments and programme management and governance arrangements;
- Final approval from HM Treasury;
- Preparation of an up-to-date Programme Delivery Plan which demonstrates the ability to achieve key milestones and complete the project.

Each of these conditions is being progressed as part of the detailed Programme Delivery Plan that has been submitted to Government.

4.3 The RGF grant award will support:

- transport infrastructure and feasibility works tosupport the Enterprise Zone (EZ) project (c. £7.908m);
- thebusiness support facilitiesin the Port of Sunderland (c. £4.092m);
- programme management costs of £0.24m included in the above figures.

4.4 Access to the Enterprise Zone is affected by capacity constraints at key off-site junctions and the limited nature of the existing internal road network, which will become increasingly acute in the future as Nissan continues to expand. A number of measures are proposedto improve access and deliver the necessary capacity at key junctions including:

- improvements to the junctions of the A19 with the A1231, the A690 and A183 (refer to section 5 - Local Pinch Point Fund);
- the junctions of Washington Road (A1290) with Cherry Blossom Way and Nissan; and
- the A1290 junction located in South Tyneside.

These improvements are estimated to cost £8.813m to be funded from £7.143m RGF, £1.169m LPPF, and a Council contribution of £0.501m.In addition, a further £0.765m has been allocated to this project to contribute towards feasibility and design works necessary to support progress towards a further expansion of manufacturing in the area.

4.5 Improvements (c. £1.75m) to the A1290 / A19 junction fall within the South Tyneside local authority boundary and for this reason it will be necessary to enter into a project agreement that will define the basis on which these works will be delivered by South Tyneside Council or their agents. This will ensure that conditions for delivery imposed by RGF are appropriately passed to South Tyneside Metropolitan Borough Council.

4.6 The full proposal for the Port business support facilities covers the following elements:

- Unitised transit and cargo/asset storage facility for the import, export and storage of cargoes and assets for oil and gas, offshore renewable energy and subsea engineering;
- Business accommodation (Endurance House) – refurbishment of existing premises for use by Port-based businesses;
- Programme management / administration.

Total estimated costs are £5.242m, comprising £4.092m RGF (provisional award) and £1.15m SCC (of which £0.2m is a notional land contribution and therefore subject to independent valuation). The Council’s contribution of £0.95m is included within the approved capital programme for Port infrastructure works. Other external sources of funding will continue to be explored to contribute towards the overall proposals.

4.7 The final business cases for the elements set out in paragraph 4.6, and their subsequent procurement and delivery,will be subject to approval by the Port Board. In addition, the drawdown of RGF grant and potentially other external funding secured are subject to the Council agreeing a satisfactory state aid analysis with BIS and other funding bodies.

4.8 According to the terms of the Conditional Grant Offer letter all infrastructure works funded by RGF must be defrayed by March 2015 (subject to ongoing negotiation) which will result in challenging timescales for the design, procurement and delivery of elements funded from this source. It will be necessary for the Council to enter into a funding agreement with Government in relation to the works to be carried out with funding provided by RGF.

5. Local Pinch Point Fund

5.1 The Secretary of State for Transport announced on 31 May 2013 that the Council's application through the Local Pinch Point Fund had been successful. On 28 August 2013, the Department for Transport (DfT) wrote to the Council to confirm that ministers had agreed to grant the scheme funding approval.

5.2 As part of this approval, the DfT will provide funding of £1.169 million in 2014/15 towards an estimated total scheme cost of £1.67 million. The Council will therefore be expected to make a local contribution of £0.501 million towards the cost of this scheme.

5.3 In addition, as is the normal approach taken by the DfT, the Council will be solely responsible for any expenditure over and above the DfT's maximum funding contribution, which will be paid as a capital grant under Section 31 of the Local Government Act 2003.

5.4 The projects to be part funded by the Local Pinch Point Fund consist of improvements to the junctions of the A19 Trunk Road with:

- A690, Durham Road (£0.87 million)
- A183, Chester Road (£0.8 million)

5.5 In addition, the Highways Agency successfully bid separately for funding through theLocal Pinch Point Fund for improvements to the junction of the A19 with A1231 (Wessington Way).This scheme will be delivered by the Highways Agency.

5.6 Improvements to all of the above junctions include installation of replacement traffic signals on each roundabout to ease congestion at peak times using ICT based applications.

6. Reasons for the Decision

6.1 The decision will enable the Council to secure significant investment in transport infrastructure and business support facilities, part funded by the Government.The programme will enable significant investment in the city and help to deliver economic growth in accordance with the Economic Masterplan.

6.2 Delivery of this investment will support future economic development in Sunderland by improving access to strategic development sites that have the potential to create jobs. Such improvements would otherwise need to be funded from the limited annual allocations for transport improvements in the Local Transport Plan.

7. Alternative Options

7.1 The individual schemes that make up this programme have been developed over a period of time in order to contribute to and help deliver the Council's wider strategic and economic objectives. Alternative options for each scheme have been considered and rejected as part of the specification and design processes.

7.2 The recent approval of RGF and LPPFhas presented a unique opportunity for the Council and its partners to take forward an ambitious programme of investments within a limited timeframe.There is an option notto accept the grant offers,however, as resources for some projects are not currently identified in the capital programme this would probably mean that theseimportant projects would not proceed in the foreseeable future.

7.3 Alternative options for progressing the Port business support facilitieshave been considered and would require the proposals to be either scaled down or delayed pending the identification of other sources of external funding.

8. Financial Implications

8.1 There is a requirement to providealocal contribution alongside the Local Pinch Point Fundfor improvements to the junctions of the A19 Trunk Road with the A183 and the A690. The DfT will provide funding of £1.169 m in 2014/15 towards an estimated total scheme cost of £1.67 million, leaving the council to fund a local contribution £0.501m. This will be met from the Local Transport Plan Integrated Transport Block for 2014/15.

8.2 The Council's contribution towards the business support facilities is currently estimated at £1.15m. This comprises a notional land value contribution of £0.2m and £0.95m identified within the approved capital programme for Port infrastructure works.Additional Council resources may be required in the event that the external funding being sought is not achieved.

8.3 The transport infrastructure improvements funded by both RGF and the LPPF include the provision of several new traffic signals installations. These will incur ongoing annual revenue requirements to cover the cost of maintenance and energy. The cost pressure will be considered as part of the Medium Term Financial Strategy.

8.4 The revenue implications arising through the business support facilities will be met by the Port through the additional income that these facilities will provide.

9. Procurement

9.1 The most appropriate procurement strategy has been identified for each scheme. This is set out in Paragraph 9.3. The specific works or services to be procured include:

- Highways design and infrastructure works;
- Site investigation and specialist design services;
- Investment in business accommodation and refurbishment, including fit-out;
- Investment in associated site infrastructure works; and
- Professional fees

9.2 Reducing procurement timescales by using appropriate public sector frameworks for tendering exercises will be explored in order to meet the delivery timeframe for RGF. The method of procurement for the transport infrastructure improvements and business support facilities will also be dependent upon the value of the works in each case. In order to ensure compliance with Public Procurement Legislation and the Council's Procurement Procedure Rules, Corporate Procurement and the Law and Governance Teams will be been consulted throughout the project.

9.3 The proposed procurement strategy for the two projects is as follows:

- **Enterprise Zone transport infrastructure** - it is proposed that these will be designed and delivered in-house by the Council's Street Scene Team. The planned infrastructure works to the A19 / A1290 / Downhill Lane junction are located within South Tyneside. South Tyneside Council will therefore be responsible for the procurement and delivery of these works as the local highway authority in discussion with the Highways Agency.In addition, the preparatory work required to support the further expansion of manufacturing in the area is proposed to be commissioned using existing public sector frameworks or through competitive tendering.

- **Port business facilities** – it is proposed that these works will be carried out through a competitive procurement process in accordance with the appropriate procurement legislation and the Council's Procurement Procedure Rules.However the final decision on the procurement and delivery of the Port projects will be made by the Port Board as part of the consideration of the final business cases for these projects.

10. Risk Analysis

10.1 A detailed risk register has been produced for each key project within the programme.Each register will be reviewed and updated on a quarterly basis by the relevant project group and will form an integral part of the project management process.

10.2 Some risks at programme level are beyond the direct control of the Council. For example, works may be delayed because others have not been able to deliver their elements of work on time, causing a consequent increase in costs. Adverse weather conditions will also impact on programme delivery. The cost estimate will therefore be reviewed on a regular basis.

10.3 The successful implementation of the programme is subject to the terms and conditions of the grant offer letters, including potential clawback of grant if these conditions cannot be satisfied. In addition, the final award of RGF in respect of the Port investment is subject to a satisfactory analysis of state aid by the Council and Government. This work is ongoing and the findings will be presented to the Port Board as part of the consideration of the business cases.

10.4 The timetable for the delivery of the proposed works is extremely tight. Delivery of the 2 key projects must take place between December 2013 and March2015, unless advised otherwise by Government. The Council has been advised that full defrayal of RGF grant must be achieved by March 2015. However, this is subject to confirmation with Government, bearing in mind that the standard period for retentions is 12 months after practical completion of works.

11. Relevant Consultations

11.1 Liaison and consultation has taken place with the Highways Agency in relation to possible implications of the scheme for the A19 Trunk Road, at the junctions with the A183, A690, A1231 and A1290 during the development of the projects set out in this report. Feedback from this consultation was broadly supportive of the proposals, although the Highways Agency expressed a desire to see the control of traffic movements joining theA19.

11.2 Nissan has been consulted on the transport improvements in the area and communications will be ongoing to ensure that the works are progressed effectively and do not impact on operations in the locality.

12. Project Management Methodology

12.1 Project management of the transport infrastructure and business support improvements set out in this report will be undertaken in accordance with the Council's document "Framework for Successful Projects – Sunderland City Council Methodology".

13. List of Appendices

None

14. Background Papers

None

Sunderland City Council

Item No. 6

CABINET MEETING – 4 December 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:
A NEW AGREEMENT WITH THE TRAFFIC PENALTY TRIBUNAL JOINT COMMITTEE

Author(s):
Deputy Chief Executive

Purpose of Report:
To inform Cabinet of the requirement to enter into a new agreement with the Traffic Penalty Tribunal Joint Committee under the powers associated with The Traffic Management Act 2004 and agree the summary of proposed changes to the existing Joint Committee Arrangements.

Description of Decision:
Cabinet is recommended to;

i) Agree that the Council enters a new agreement with the Traffic Penalty Tribunal Joint Committee
ii) Agree to the proposed changes to the existing Joint Committee arrangements
iii) Note the continued nomination by the Leader of the City Services Portfolio Holder, Cllr J. Blackburn and Cllr R. Bell (Substitute) to the Joint Committee

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:
The reason for the decision is to ensure continuation of the Adjudication Service that allows motorists who wish to appeal to an independent body against the issue of a Penalty Charge Notice the opportunity to do so.

Alternative options to be considered and recommended to be rejected:
There are no alternative options recommended as any council operating civil parking enforcement needs access to the adjudication service through membership.

Impacts analysed;

Equality N/A **Privacy** N/A **Sustainability** N/A **Crime and Disorder** N/A

Is this a "Key Decision" as defined in the Constitution? **No** **Is it included in the 28 day Notice of Decisions?** **No**	**Scrutiny Committee**

CABINET MEETING **4th DECEMBER 2013**

A NEW AGREEMENT WITH THE TRAFFIC PENALTY TRIBUNAL JOINT COMMITTEE

Report of Deputy Chief Executive and the Head of Law and Governance

1. Purpose of the Report

To inform Cabinet of the requirement to enter into a new agreement with the Traffic Penalty Tribunal Joint Committee under the powers associated with The Traffic Management Act 2004 and agree the summary of proposed changes to the existing Joint Committee Arrangements.

2. Description of Decision (Recommendations)

Cabinet is recommended to;

(1) Agree that the Council enters a new agreement with the Traffic Penalty Tribunal Joint Committee
(2) Agree to the proposed changes to the existing Joint Committee arrangements
(3) Note the continued nomination by the Leader of the City Services Portfolio Holder, Cllr J. Blackburn and Cllr R. Bell (Substitute) to the Joint Committee

3.0 Background

3.1 Decriminalised parking was introduced in Sunderland in February 2003. Any Council operating civil parking enforcement needs access to the independent Adjudication Service to support these new powers. Therefore, the Council was required to enter into an agreement with the Traffic Penalty Tribunal Joint Committee (known as PATROLAJC). An elected Member represents the Council at PATROLAJC meetings with a nominated substitute Member. These arrangements were agreed by Cabinet on 6th November 2002.

4.0 Requirement to Rejoin the Joint Committee

4.1 Manchester City Council had been the lead authority for PATROLAJC since its establishment. Cheshire East Council took over the role of lead authority of from 1 April 2013.

4.2 The changes to the current deed principally reflect the change in lead authority and do not materially effect the relationship between the City Council and the lead. Notable changes that effect all members are:

- altering the voting requirements for variation and termination of the joint committee arrangements from requiring agreement of 75% of participating authorities to requiring agreement of a simple majority (i.e. 51%).
- greater flexibility for the appointment of member representatives outside of the annual meeting cycle.

- giving PATROLAJC the responsibility to appoint, terminate and accept the resignation of the lead authority.

5 Reasons for the Decision

5.1 The Council is required to enter into a new agreement, reflecting the recent changes, in order to continue to be represented at PATROLAJC.

6 Alternative Options

6.1 There are no alternative options recommended as the Council would not be able to discharge its statutory responsibilities in respect of civil parking enforcement under the Traffic Management Act 2004 without access to the Adjudication Service via the PATROLAJC Agreement.

7. Impact Analysis

7(a) Equalities –Not Applicable.

7(b) Privacy Impact Assessment (PIA) – Not Applicable

7(c) Sustainability – Not Applicable.

7(d) Reduction of Crime and Disorder – Community Cohesion / Social Inclusion - Not Applicable

8 Other Relevant Considerations / Consultations

The additional considerations are as follows:

(a) Financial Implications / Sunderland Way of Working – There are no additional financial implications associated with retaining membership of PATROLAJC.

(b) Risk Analysis - The reason for the decision is to ensure continuation of the Adjudication Service Without this agreement in place an appeal process could not be operated.

(c) Employee Implications – Not Applicable

(d) Legal Implications – The reason for the decision is to ensure continuation of the Adjudication Service Without this agreement in place an appeal process could not be operated.

(e) Policy Implications – Not Applicable

(f) Health & Safety Considerations – Not Applicable

(g) Property Implications – Not Applicable

(h) Implications for Other Services – Not Applicable

(i) **The Public –** The reason for the decision is to ensure continuation of the Adjudication Service that allows motorists who wish to appeal to an independent body against the issue of a Penalty Charge Notice the opportunity to do so in accordance with the Traffic Management Act 2004 Without this agreement in place a motorist would not be able to follow the appeals process.

(j) **Compatibility with European Convention on Human Rights** – Not Applicable

(k) **Project Management Methodology** – Not Applicable

(l) **Children's Services** – Not Applicable

(m) **Procurement** – Not Applicable

10. Background Papers

Cabinet Report Dated 6th November 2002
Cabinet Report Dated 16th April 2008
Summary of Changes from Patrol

Sunderland City Council

Item No. 7

CABINET MEETING – 4 December 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:
Provision of social care to adults with a learning disability – consolidation of existing contracts

Author(s):
Executive Director People Services

Purpose of Report:
The purpose of the report is to seek approval to consolidate the existing contracts between the Council and Care and Support Sunderland Ltd (CSSL).

Description of Decision:
To approve the decision to vary one of the existing contracts between the Council and Care and Support Sunderland Ltd (CSSL) in order to incorporate all of the other existing contracts between the Council and CSSL.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:
By varying, consolidating and simplifying the current contracts that are in place between the Council and CSSL into one single contract, this will enable the Council to continue to maintain and improve its contractual relationship with CSSL as a Local Authority Controlled Company through a single and consistent contract management framework with one service specification, payment mechanism and contract period.

Alternative options to be considered and recommended to be rejected:
The following option has been considered and rejected:

Not to consolidate the existing contracts in place between the Council and Care and Support Sunderland Ltd and to continue to operate on the current basis. However this would not improve and provide consistency to the contractual relationship between the Council and CSSL which is currently based on multiple contracts.

Impacts analysed:

Equality NA **Privacy** NA **Sustainability** NA **Crime and Disorder** NA

Is this a "Key Decision" as defined in the Constitution? Yes **Is it included in the 28 Notice of Decisions? Yes**	**Scrutiny Committee**

CABINET **4 DECEMBER 2013**

REPORT OF EXECUTIVE DIRECTOR, PEOPLE SERVICES

PROVISION OF SOCIAL CARE TO ADULTS WITH A LEARNNG DISABILITY – VARIATION TO CONTRACT

1. Purpose of the Report

1.1 The purpose of the report is to seek approval to consolidate the existing contracts in place between the Council and Care and Support Sunderland Ltd (CSSL).

2. Description of Decision (Recommendations)

2.1 To approve the decision to vary one of the existing contracts between the Council and Care and Support Sunderland Ltd (CSSL) to incorporate all of the other existing contracts between the Council and CSSL.

3. Introduction/Background

3.1 Care and Support Sunderland Ltd (CSSL) was formed in October 2011 with the purpose of managing 16 Learning Disability small group residential and supported living schemes following the previous provider, Choices Care going into administration. The Council formed CSSL as a 100% Local Authority Controlled Company (LACC), which was the preferred option as opposed to bringing the service back into the Council or going through a procurement process to identify a new independent provider.

3.2 Since its inception, the Company has continued to grow and develop. Feedback from carers, social workers and the Care Quality Commission continues to be positive about the quality of the service delivery and this influenced the subsequent decision in February 2013 for five additional in-house services to be transferred over to the Company.

4. Current Position

4.1 The Council had/has the following contracts in place with CSSL for the provision of social care to adults with a learning disability living within residential and supported living accommodation:

Contract 1 – 2009-2013: provision of social care to adults with a learning disability in a care home (7 properties).

Contract 2 – 2011-2014: provision of social care to adults with a learning disability (9 properties).

Contract 3 – 2013 onwards: provision of social care to adults with a learning disability living in Shekinah (1 property).

Contract 4 – 2013 – 2016 (with a possible extension for up to 2 years) – provision of social care to adults with a learning disability (5 homes).

4.2 In addition to the above contracts/properties, CSSL is also the care provider into an additional property, Kerry Square, which was commissioned at an operational level and which although not expressly covered by the aforementioned contracts however both the Council and CSSL work under the scope of Contract 2.

4.3 It is proposed that Contract 4 is varied to consolidate all of the contracts/properties referred to above into one single contract. This means that there will be one contract in place between the Council and CSSL for the provision of social care to adults with learning disabilities living within all of the properties referred to above. For the Council and CSSL this will ensure that service provision is consistent across all of the properties and the expectations and responsibilities of both the Council and CSSL are clear. For the Council, this will ensure that contract management arrangements, which include reviewing the service quality and financial monitoring, will be more robust enabling the Council to have a full and detailed picture of how the company is delivering against one contract.

4.4 The contract term will be for 3 years (commencing with effect from 1st April 2013) with a possible extension for up to 2 years. The overall budget for the CSSL contract for all services will be £7,574,222 and there will be no additional cost to the Council by varying and consolidating the contracts.

4.5 As CSSL is 100% owned and controlled by the Council and it carries out the essential part of its activities for the Council, the Council are able to vary the contracts with CSSL as set out in this report, without the need to carry out a procurement process, relying on the Teckal exemption. However, should CSSL cease to be 100% owned or controlled or cease to carry out the essential part of its activities for the Council at a future date, the Council would need to consider at that time the impact of this change on its reliance on the Teckal exemption for the remainder of the contract term.

5. Reasons for the Decision

5.1 Having one contract will ensure that service provision is consistent across all of the properties and the expectations and responsibilities of both the Council and CSSL are clear. For the Council, this will ensure that contract management arrangements, which include reviewing the service quality and financial monitoring, will be more robust enabling the Council to have a full and detailed picture of how the company is delivering against one contract.

6. Alternative Options

6.1 The following option has been considered and rejected:

Not to consolidate the existing contracts in place between the Council and Care and Support Sunderland Ltd and to continue to operate on the current basis. However this would not improve and provide consistency to the contractual relationship between the Council and CSSL which is currently based on multiple contracts.

7. Impact Analysis

7.1 The Council have previously consulted with carers, the Carers Management Board and the managers of the five homes in respect of the transfer and communication with all relevant stakeholders is ongoing.

7.2 Internally, the Council's proposal to transfer the services into CSSL was championed by the Executive Director People Services and the Executive Director Commercial and Corporate Services.

8. Other Relevant Considerations / Consultations

Legal Implications – Legal Services have been and will continue to be involved and consulted throughout the process of making the required changes to the current contracts in place with CSSL.

9. Glossary

CSSL – Care and Support Sunderland Limited: the current contracted care and support provider

Local Authority Controlled Company – a company which is under the control of the Local Authority

10. List of Appendices

None

11. Background Papers

Cabinet Report 13th February 2013 – *Transfer of care and support in five care establishments for adults with learning disabilities and complex needed to Care and Support Sunderland Limited (CSSL), a Local Authority owned company.*